	and the second second		
Class.			06-0
To: TS S CHASSIFIC	CATION SECRET/CONTROL U.S.	OFFICIALS ONLY	
,2 / ,	TRAL INTELLIGENCE AGENCY	REPORT	
Swe Se A To The best	RMATION REPOR	To a company of the c	50X1-HUN 50X1-HUN
China/USSR	•	DATE DISTR. 4 April 19	51
A K MAN	WELL THE RECENTIFICATION OF THE PARTY OF THE		N+
i ne le	SS PERMISSION OF	HOUT CLISTED BELOW:	
	OFFICE.	SUPPLEMENT TO REPORT NO.	50X1-HUN
STATES WITHIN THE NEARING OF THE ES. SE. SE AUZHDEO. ITS TRANSMISSION OR 'S IS NO ANY MANUED TO AN UNASTRORIZED I	THIS IS UI		50X1-HUM
erit kill sammer fra er er er er er er blande av i stat er			
	Contract supportants appetition are can shall be as a support of the same of t	To: TS S CLASSIFICATION SECRET/CONTROL U.S. TRAL INTELLIGENCE AGENCY RMATION REPORT SHART INTELLIGENCE AGENCY RMATION REPORT China/USSR FOR CHIACAL SECURITY INTELLIGENCE AGENCY SITUATION IN SERVICE STREET OF THE SECURITY INTELLIGENCE AGENCY CHINA/USSR FOR CHIACAL SECURITY INTELLIGENCE DOTATES CHINA/USSR STEPPORT IN NOT TO BE FULL STATES, ON EYOND THE BOOM OF THE BOOM OFFICE.	TO: TS S CLASSIFICATION SECRET/COLTROL U.S. OFFICIALS ONLY TRAL INTELLIGENCE AGENCY REPORT CD NO. Secretary Tests RMATION REPORT CD NO. China/USSR DATE DISTR. 4 April 190 Situation in Sinking THS REPORT IS NOT TO BE FURTHER CHILL SECURILY LEASONS NO. OF PAGES 3 CONTABLE HARDONIANTO AFFECTIVE WATCHING, DEVENTED OF THE OFFICE. CONTABLE HARDONIANTO AFFECTIVE WATCHING, DEVENTED CONTABLE HARDONIANTO OF THE BOYGLANDO AFFECTIVE WATCHING, DEVENTED CONTABLE HARDONIANTO OF THE BOYGLANDO AFFECTIVE WATCHING, DEVENTED CONTABLE HARDONIANTO OF THE BOYGLANDO OF

Administration

- 1. No large-scale reorganization of government departments took place in Sinkiang during the last six months of 1950, apart from moves to unite more closely the various executive branches of all government departments. New personnel from China representing the more theoretical type of Communist were being introduced, and at the same time Soviet advisers and technical assistants became the accepted rule. This direction from the top, which is so characteristic of Communism, was reflected only slightly in the press, but was the cause of a good deal of friction and anti-Communist comment. In general it appeared that the Soviets were given facilities beyond those given to Chinese doing the same task. Some of the criticism appeared in open letters in the Sinkiang daily paper, but the facile replies to it were in some cases the subjects of adverse comment by the man in the street, in what might be termed a whispering campaign.
- 2. Figures such as CHU Wu, former mayor of Urumchi under the Kuomintang and wholly pro-Communist, have disappeared from the scene, and few if any high ranking officials remain in the Province. Most of the political administration is carried on by numerous petty officials brought from China and with no experience of Sinkiang conditions. This is less true of the military side, where Generals P*ENG Te-huai, CHANG Chih-chung and WANG Chen still dominate the military areas of northern and southern Sinkiang.
- 3. Politically Sinking has become more solidly Communist: there remains only a small part of the population which has not yet passed through some course or other; educational organizations are manned throughout by ardent Communists; the whole police force and army have been similarly processed; hostels and other institutions work on a basis completely Soviet, and much interchange of cultural media has already taken place with the Soviet areas of ventral Asia.
- 4. Political leaders no longer really represent the people but are nominees

50X1-H	Hι	IJ	V
--------	----	----	---

Declassified in Part - Sanitized Copy Approved for Release 2012/04/18: CIA-RDP82-00457R007400080006-0

ONTO TO TO TAKE TO A P	
CONFIDENTIAL.	
	_
ECRET/CONTROL - U.S. OFFICIALS UNL	₹ .
mount our flor - ofp. off forms our	

50	V 4		IR 4
. DU		 11.	ши

CENTRAL INTELLIGENCE AGENCY

-2-

brought in from outside who follow a program laid down for them in Peiping and Moscow. There is no question of popularity or otherwise, but only a blind obedience to announced plans which are to be carried out as part of the nation-wide progress towards a Socialist society.

Taxation

Taxation appears to be a potent source of trouble in that the assessors called upon to deal with agricultural production are frequently men whose experience has been in areas where the use of fertilizer is general and the rate of production much higher. In consequence they accuse the farmers of lack of initiative or of evasion; meetings are held throughout the Province at which the output of each farm is discussed, and the farmers are assessed on the basis of the optimum harvest rather than on the actual situation. Petitions from the farmers for fair treatment have been ignored and the leaders have been told that unless they cease from their agitation their farms will be taken from them.

Production and Export

- 6. A further source of discontent is the export to the USSR of large quantities of grain, said to be payment for trucks and other materials received from China (sio). All cotton and hides from Sinking are experted to the USSR.
- 7. Oil production has not greatly increased, and the increase in transportation has materially decreased the amount of gasoline available for private merchants. Consequently trade has declined, and is now offset by the large government companies which are virtually subsidiaries of the Sino-Soviet companies originally announced in the Sino-Soviet trade treaty.

Resistance

- 8. In late 1950 the Kazakhs still maintained complete control of the Baitik Bogdo region and large areas in the Tolensham, under the leadership of Osman and Yolbars. The hard core of resistance is found among the Tungkam cavelry, who remain undaunted. The effective fighting strength of these groups is approximately 20,000, and their spirit of resistance to the Communists was in no way dampened by the capture of Janimkham**. Attacks are made on sizeable convoys on the main road from the USSR to China, and by the end of 1950 enough arms and equipment to keep them going for several years had been acquired in this way. Within fifty miles to the northwest and southwest of Urumchi Chinese Communist bandit-suppression troops have been ambushed and annihilated.
- 9. Up to October 1950 the Chinese Communist army had made no headway whatever against the non-Chinese tribes in the Salar Moslem area north-northeast of the Koko Nor. The well-fortified nature of the farms in that area may have been a factor in the successful resistance offered.

Transportation

- 10. The Hami-Alma Ata airline employs a few Chinese clerks but uses Russian planes, pilots, air crew and office staff. This condition obtains all the way from Urumchi to Feiping.
- 11. Not far from Urumchi, on the Suilai (manass, 86-19, 44-21) road, there are large areas of maintenance depots which are completely Chinese, while to the south of Urumchi, on the Turfan (89-05, 42-56) road, the Soviets have set up not only service stations, rest houses, warehouses, and the like, but also a fairly complete thermal power plant. The convoy system pertains throughout the still unsettled areas around Hami, together with new construction of bridges and culverts. It is believed that the Soviets are planning to use this main road through Urumchi as one of their main supply routes into Northwest China. The Russians have their own completely separate transportation system, including Russian trucks, drivers, agasoline and main-

CONFIDENTIAL

Declassified in Part - Sanitized Copy Approved for Release 2012/04/18: CIA-RDP82-00457R007400080006-0

CONFIDENTIAL

SHONET/CONTROL U.S. OFFICIALS ONLY

50X1	-HU	M
------	-----	---

CENTRAL INTELLIGENCE AGENCY

...3...

tenance depots. The Chinese use Russian trucks, but Chinese drivers and gasoline, and have separate warehouses and maintenance depots.

- 12. The short supply of gasoline during 1950 made the cost of running trucks prohibitive to private traders, with the result that the government took over nearly all the privately owned trucks in the Province. Even when the trucks were operated by provincial or municipal transportation authorities, all gasoline had to be transported from Chiuch'uan (98-35, 39-46). Up to the end of "ctober 1950 trucks were not allowed to go to the cilfields, but drivers bought their supplies from official dealers in Chiuch'uan. The drivers who bring the oil from the wells and refineries to Chiuch'uan live in special hostels built for them at Yumen. It was reported in October 1950 that several thousand rooms had been built for the staff of the cilfield, which is kept completely isolated from all outside contacts. About seven Soviet advisers and technicians are said to be at the cilfield. According to the press, the production had been increased 100 percent since the Chinese Communists took over; however, only three or four new wells were opened during 1950, and the rate of production for these is not known.
- 13. Roads and factories are being repaired and put to productive use in a manner calculated to make the people believe that there is nothing so productive on earth as a Communist state. Prostitutes have been given courses of instruction and put into working units in factories. One problem not entirely settled was the matter of hired labor during the winter months, which has always been a major problem in Sinking Frovince. However, many laborers have been recruited by reasonable pay and conditions to work in the coal mines and at carting stone and building materials for the coming summer plan. According to the press, the "Period of Construction," which follows the suppression of the majority of anti-Communist elements, has come to Sinking Province.

The Press and Propaganda

14. The Urumchi papers were full of anti-American and pro-Chinese-volunteer movements, which were used as a stimulus to exhort the people to greater effort in every sphere. Meetings were held in colleges, schools and government departments to obtain the names of volunteers ready to leave their homes and fight in Korea. The press claimed that some 700 had responded during the first three days of this campaign but that those not suitable for fighting purposes would be given badges of recognition and sent back to their respective occupations to set the pace for others who did not volunteer. In the Urumchi power plant a new low was experienced in temporary power cuts and break-downs, and linesmen in the communications department established a new record in the number of new phones installed and repairs made. These examples show how the ordinary people are being driven into closer identification with anti-American activities in carrying out their daily work.

	50	OX1-HUM
*	Comment. reported Yolbars in Tibet in January 195	1.
	Despite Chinese Communist claims to have captured Osman Bator, there are indications that he may have escaped to	ิ 50X1-HUM
		50X1-HUN
**	Comment. According to the Chinese Communists, Janimkhan was captured in September 1950 and executed 4 February 1951.	

CONFIDENTIAL

SECRET/CONTROL - U.S. OFFICIALS ONLY